

TENNESSEE HOUSING DEVELOPMENT AGENCY
SUPPLEMENTARY INFORMATION
SUPPLEMENTARY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2002
(Expressed in Thousands)

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Single Family Mortgage Notes	Totals
Cash flows from operating activities:					
Receipts from customers	\$ 442	\$ 74,739	\$ 218,560	\$ -	\$ 293,741
Receipts from federal government	8,457	-	-	-	8,457
Receipts from other funds	-	-	1,033	25	1,058
Other miscellaneous receipts	1,235	54	165	-	1,454
Acquisition of mortgage loans	-	-	(224,842)	-	(224,842)
Payments to service mortgages	(1)	(1,142)	(4,281)	-	(5,424)
Payments to suppliers	(2,511)	(349)	(568)	(1)	(3,429)
Payments to federal government	-	-	(3,686)	(255)	(3,941)
Payments to local government	(2,441)	-	-	-	(2,441)
Payments to other funds	-	(1,058)	-	-	(1,058)
Payments to employees	(7,481)	-	-	-	(7,481)
Net cash provided (used) by operating activities	<u>(2,300)</u>	<u>72,244</u>	<u>(13,619)</u>	<u>(231)</u>	<u>56,094</u>
Cash flows from non-capital financing activities:					
Operating grants received	124,656	-	-	-	124,656
Operating transfers in (out)	3,731	(3,767)	(5)	41	-
Negative cash balance implicitly financed (repaid)	-	(1,361)	1,387	-	26
Proceeds from sale of bonds	-	-	209,580	-	209,580
Proceeds from issuance of notes	-	-	-	67,985	67,985
Operating grants paid	(136,411)	-	(2,020)	-	(138,431)
Call premium paid	-	-	(1,929)	-	(1,929)
Advance on bond sale	-	-	850	-	850
Cost of issuance paid	-	-	(1,874)	(65)	(1,939)
Principal payments	-	(38,940)	(202,455)	(84,865)	(326,260)
Interest paid	-	(26,664)	(69,914)	(1,479)	(98,057)
Net cash used by non-capital financing activities	<u>(8,024)</u>	<u>(70,732)</u>	<u>(66,380)</u>	<u>(18,383)</u>	<u>(163,519)</u>
Cash flows from investing activities:					
Proceeds from sales and maturities of investments	6,425	284,222	249,048	-	539,695
Purchases of investments	(19,890)	(263,256)	(274,082)	-	(557,228)
Investment interest received	1,769	10,604	17,718	1,556	31,647
Net cash provided (used) by investing activities	<u>(11,696)</u>	<u>31,570</u>	<u>(7,316)</u>	<u>1,556</u>	<u>14,114</u>
Net increase (decrease) in cash and cash equivalents	(22,020)	33,082	(87,315)	(17,058)	(93,311)
Cash and cash equivalents, July 1	<u>32,698</u>	<u>28,859</u>	<u>211,497</u>	<u>85,138</u>	<u>358,192</u>
Cash and cash equivalents, June 30	<u>\$ 10,678</u>	<u>\$ 61,941</u>	<u>\$ 124,182</u>	<u>\$ 68,080</u>	<u>\$ 264,881</u>

TENNESSEE HOUSING DEVELOPMENT AGENCY
SUPPLEMENTARY INFORMATION
SUPPLEMENTARY STATEMENT OF CASH FLOWS (cont.)
FOR THE YEAR ENDED JUNE 30, 2002
(Expressed in Thousands)

	Operating Group	Mortgage Finance Program	Home- ownership Program Bonds	Single Family Mortgage Notes	Totals
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 2,659	\$ 11,771	\$ 27,030	\$ (269)	\$ 41,191
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization	5	197	563	65	830
Changes in assets and liabilities:					
(Increase) in accounts receivable	(2,485)	(338)	(649)	-	(3,472)
(Increase) decrease in mortgage interest receivable	(2)	376	(673)	-	(299)
(Increase) decrease in first mortgage loans receivable	326	50,857	(87,669)	-	(36,486)
(Increase) decrease in deferred charges	(7)	20	139	-	152
Decrease in other receivables	-	-	3	-	3
(Increase) decrease in interfund receivables	-	(1,013)	45	-	(968)
Increase (decrease) in interfund payables	-	(45)	988	25	968
Increase (decrease) in accounts payable	148	(345)	(140)	-	(337)
Increase in accrued payroll	15	-	-	-	15
Increase in due to primary government	4	-	-	-	4
(Decrease) in deferred revenue	-	(66)	(71)	-	(137)
(Decrease) in arbitrage rebate liability	-	(101)	(2,551)	-	(2,652)
Investment income included as operating revenue	(2,963)	(14,605)	(26,007)	(1,556)	(45,131)
Interest expense included as operating expense	-	25,536	75,373	1,504	102,413
Total adjustments	(4,959)	60,473	(40,649)	38	14,903
Net cash provided (used) by operating activities	\$ (2,300)	\$ 72,244	\$ (13,619)	\$ (231)	\$ 56,094
Noncash investing, capital, and financing activities:					
Accretion of deep discount bonds	\$ -	\$ -	\$ 4,111	\$ -	\$ 4,111
Increase in fair value of investments	1,101	3,633	17,872	47	22,653
Total noncash investing, capital, and financing activities	\$ 1,101	\$ 3,633	\$ 21,983	\$ 47	\$ 26,764